

Montgomery County's Housing Issues – What We're Doing and What You Can Do To Assist

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Median Home Sale Prices in the Region: 2006 - 2009

Jurisdictions	2006	2007	2008	2009
Montgomery County, MD	\$437,779	\$439,750	\$392,396	\$341,791
Anne Arundel County, MD	\$342,340	\$342,109	\$322,971	\$296,500
Arlington County, VA	\$492,367	\$482,983	\$448,979	\$453,465
Fairfax County, VA	\$468,146	\$469,658	\$372,663	\$341,454
Howard County, MD	\$383,815	\$388,283	\$369,033	\$345,013
Loudoun County, VA	\$465,421	\$427,313	\$341,098	\$327,954
Prince George's County, MD	\$327,738	\$318,425	\$275,762	\$218,935
Prince William County, VA	\$383,591	\$359,446	\$231,979	\$204,223

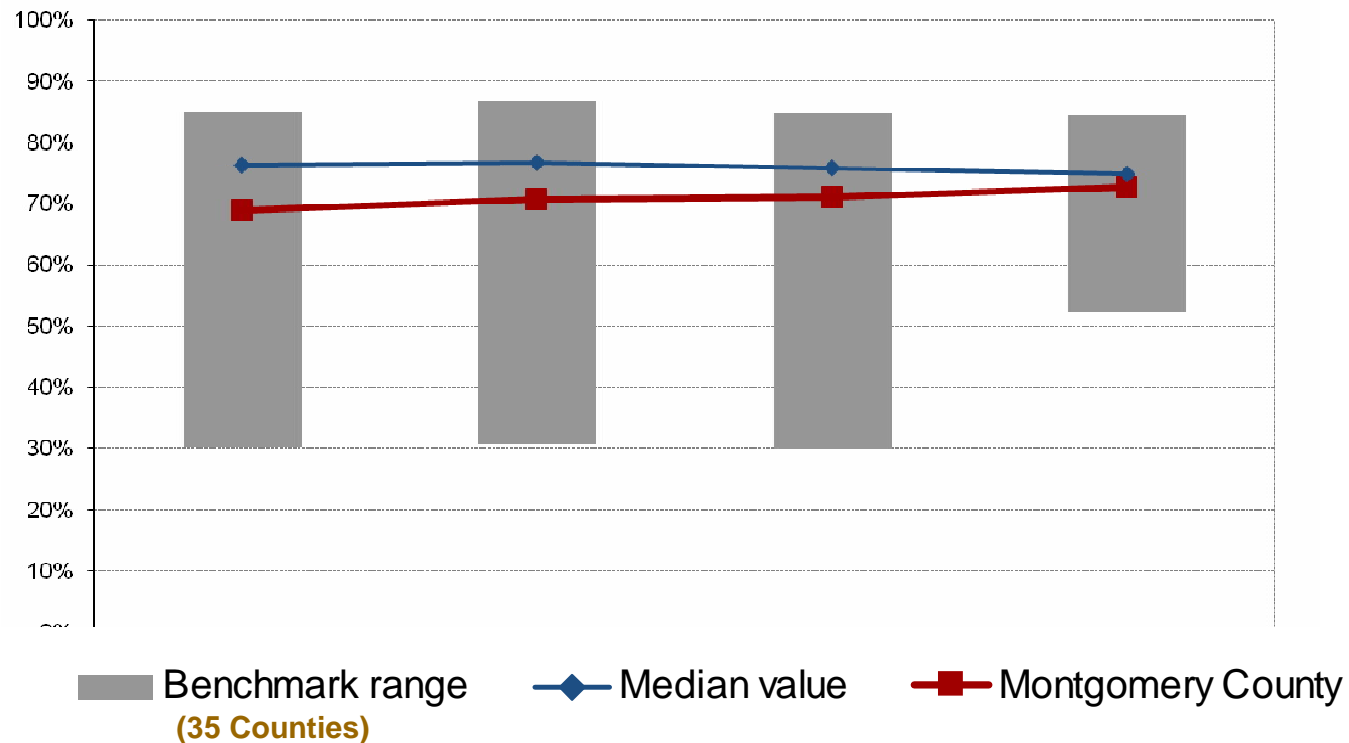
Source: Metropolitan Regional Information Systems, Inc., Year End Real Estate Trend Indicator - Less than \$30K to greater than \$500K Format

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Home Ownership Rate 2005 – 2008

(Regional Benchmark)



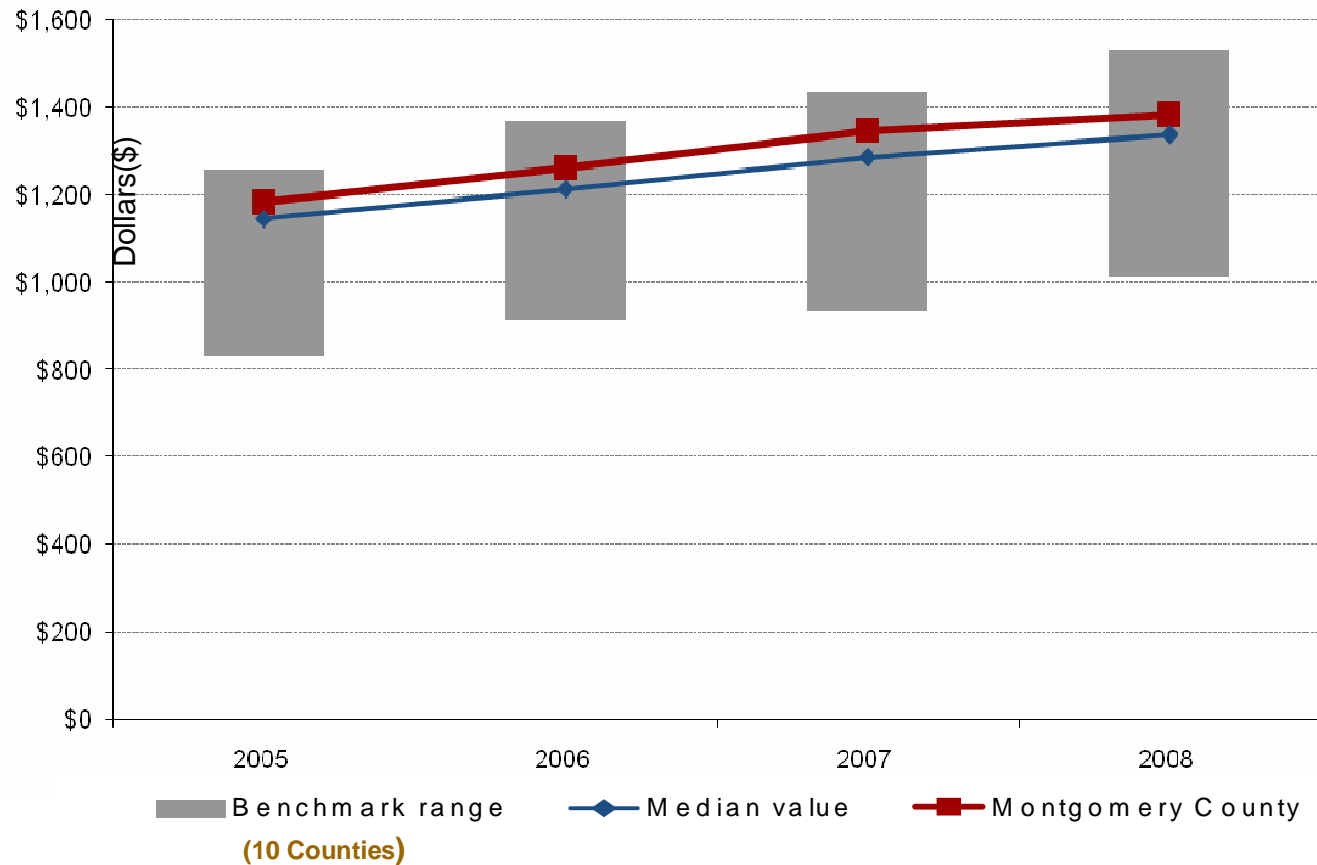
Source: U.S. Census Bureau, American Community Survey; 1-Year Estimates B25003 Tenure – Universe: Occupied Housing Units

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Median Gross Rent: 2005 – 2008

(Regional Benchmark)



Source: U.S. Census Bureau, American Community Survey, GCT2514: Median Monthly Housing Costs for Renter-Occupied Housing Units (Dollars)

Montgomery County's Efforts to Preserve and Produce Affordable Housing

Units Preserved	FY '08	FY '09	FY '10	FY '11	FY '12
County Funded Units Online	34	423	222	543	380
No-Cost Units Online	131	0	702	737	774
Preservation Pipeline	954	190	150	170	175
Total Preservation	1119	613	1074	1450	1329

Units Produced	FY '08	FY '09	FY '10	FY '11	FY '12
County Funded Units Online	103	534	660	819	692
No-Cost Units Online	116	242	53	182	191
Production Pipeline	336	218	228	237	180
Total Production	555	994	941	1238	1063

Total Produced and Preserved	1674	1607	2015	2688	2392
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Providing Assistance Directly to Employees

- With more than 9,200 full-time and part-time employees, Montgomery County Government ranks as one of the largest employers in the County
- More than 40% of our employees currently live outside the County – the lack of affordable housing near work centers is a primary factor particularly for our public and private school teachers and those who serve the County's neighborhoods as first-responders.
- Approximately 96% of the County's regular employees, earn salaries at or below \$119,000 – less than 120% of the County's Area Median Income for a family of four.

Montgomery County's Down Payment and Closing Cost Assistance Program: Our Goals and What We Provide

- Initiated in 2005 – funded by an annual allocation by the County
 - ❑ Increase affordability of housing for first-time homebuyers that work in Montgomery County
 - ❑ To enable County employees to be more effective and efficient by living closer to their workplace and working closer to their families
- What We Provide
 - ❑ Up to \$10,000 loan FOR downpayment/closing costs
 - ❑ Secured second mortgage with a 10-year repayment; fixed 5% interest rate
 - ❑ For County employees, potential eligibility to apply for additional funding matching contribution – up to \$5,000 – through the State's House Keys 4 Employees program
 - ❑ Administrative assistance and coordination in navigating the application process

Eligibility Criteria

- At least one borrower must be employed in Montgomery County
- Must be first-time home buyer
- Must be used with the County's First Trust Mortgage Purchase Program
- Current Maximum Purchase Price = \$429,619
- Current Household Income Limits:
 - 1-person household \$ 86,268
 - 2-person household \$123,240
 - 3 or more person household \$143,780 (Represents approximately 140% AMI)
- Homeownership Education is required

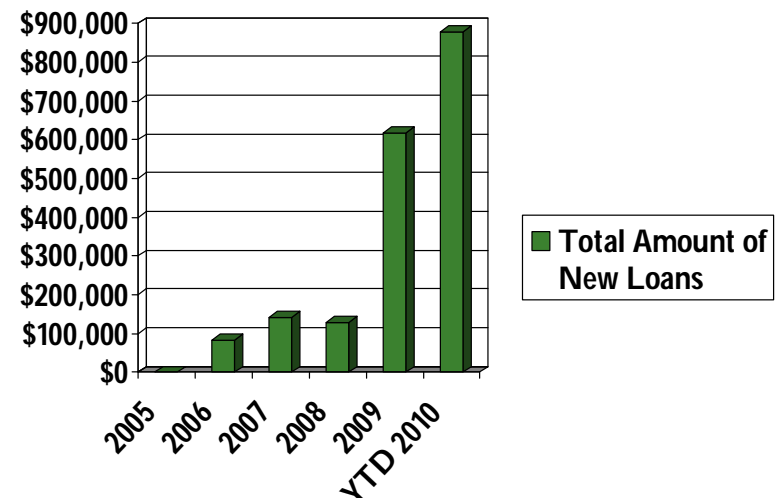
Achieving Our Objectives: 2005 – YTD 2010

- 202 first-time homebuyers in Montgomery County have received downpayment/closing assistance loans totaling almost \$1.7 million

- 2005 – 2008: slow start due to ready availability of other sources of downpayment assistance and more lenient underwriting

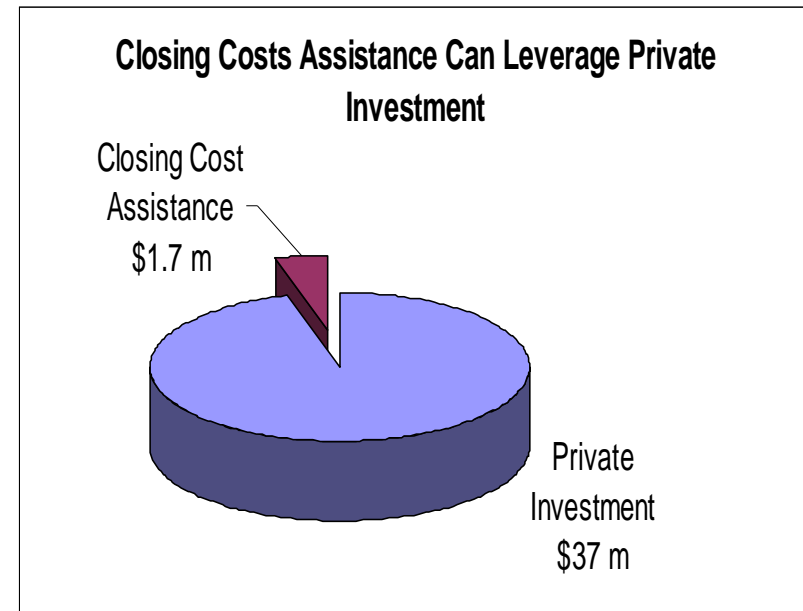
- Starting in 4Q 2009: loan demand sharply increased:

- 2005 – 2008: only 45 new loans were funded totaling \$355,132
- 2009: new loans jumped to 73 totaling \$617,022
- YTD 2010: 84 new loans have been funded totaling \$705,733



Economic Impact to the County

- To date, County-funded Closing Costs Assistance of \$1.7 million has resulted in the purchase of homes totaling more than \$37 million
- Each County dollar produced almost \$22 in Private Investment
- The Germantown/Boyd's area has received the greatest investment – 28% of all closing cost assistance loans totaling more than \$645,000



Future Plans and Projections

